

California, if they were a stand-alone country, would be the fourth largest economy in the entire world; and yet that State is experiencing rolling blackouts. It is going to take a concentrated effort at the local, State, and Federal level to find some long-term solutions.

That is why we in the Democratic Coalition are advocating both balance in our energy approach but also greater reliance on the technology that is available and being developed today and the potential of increased energy efficiency, whether in our homes, businesses or cars that we use to get around this country.

That is the type of bipartisan, balanced approach that we are hoping to be able to work with our colleagues across the aisle in this session of Congress, with the new administration. The energy plan that they submitted last week, albeit a starting document, has a lot of good features in it, but also a lot of features which require more scrutiny and closer debate, not the least of which is giving the FERC eminent domain power to force States in where they are going to locate their transmission lines.

I personally am reluctant to give that eminent domain authority to a Federal agency, basically dictating the States and localities where their energy lines are going to have to run. That is going to require extensive debate at the local level to find the best route for many of these transmission lines that most of us agree are needed to meet the long-term energy needs. We are hoping during the course of the next hour to get varying viewpoints and different ideas.

Mr. Speaker, let me recognize the gentleman from Connecticut (Mr. LARSON), one of the foremost thinkers when it comes to fuel cell potential in this country, someone who has been working in a bipartisan fashion with a very good piece of legislation.

Mr. LARSON of Connecticut. Mr. Speaker, I could not agree more with the gentleman's idea of balance.

I think it is also important that, as the gentleman from Wisconsin (Mr. KIND) indicated, it is important not only that we do this in balance, but we do this bipartisanship. Certainly energy is not a partisan concern. It is something that we all share.

Mr. Speaker, I believe that it starts with the concept of becoming independent: becoming independent from the foreign suppliers of our energy. And so in seeking to become energy independent, we have to move to alternative sources. We have to be willing to embrace conservation at the very core of what we are going to do, understanding that it is very hard in principle and that there are limited resources throughout the world and that we have an overriding responsibility, being large consumers of energy ourselves, to conserve here in this Nation.

We also have a responsibility to make sure that we are moving forward

technologically in the most efficient manner. It seems to me with the over preoccupation and the emphasis on more drilling, that we are fighting yesterday's wars and yesterday's battles. What we need to do is move forward aggressively and embrace the technology that can truly make us energy independent.

President Kennedy was able to establish a goal for this Nation. He said back in 1960 that we ought to be able to put a man on the moon in 10 years. With American ability, intellect and know-how, we were able to achieve that goal. We need to establish the same goal here in this country by simply stating that we will be energy independent from foreign sources in the next 10 years, so that by 2011 we will no longer be dependent upon OPEC nations.

Coincidentally as we have seen in the past, when Americans embrace alternative and renewable energy, and we put the full weight of this Nation behind a concept and an idea, the price will automatically be driven down in terms of the current cost of oil.

We find ourselves in an awful situation, not only on the West Coast, but all across this Nation as we look at the price of oil. When my colleagues consider just in 1999 that the cost of oil was \$60 billion annually to this country, it now costs this Nation \$120 billion.

Mr. Speaker, I am proposing that we invest 1-120th of that, \$1 billion, into fuel cell research. Why fuel cells? Fuel cells are just a small part of the larger picture, along with conservation, along with nuclear power, along with making sure, as the gentleman from Wisconsin (Mr. KIND) pointed out, that we take advantage of existing drilling opportunities that are in this country and not open up new, virgin territories and virgin land, but focus on a technology that can provide us independence from foreign competitors and inefficiencies that we see in the old economy, and also independence from the awful effects that happen from pollution.

Fuel cells, for example, can relieve the atmosphere of more than 2 million pounds annually of CO<sub>2</sub> that are currently spewing into the environment. They can also remove more than 40,000 pounds of noxious pollutants that are unnecessarily being spewed into this atmosphere. It is our moral responsibility to make sure that we are stepping forward to do this.

If we do not embrace the plan, if we do not make the investment, as the gentleman from Wisconsin pointed out, those moneys to fund this cannot come from expansive drilling in the ANWR, they have to be the commitment of the United States Congress.

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We are the appropriators. We should be making sure that we are making this investment now to be energy independent, to be more efficient and to protect our environment by embracing

technologies like this that will allow us to move forward in the future, so that we will find our senior citizens, as the gentleman pointed out, in Wisconsin and California and in Connecticut that do not have to make the decision between the food they are going to put on their table, the prescription drugs that their doctors have asked them to take, and the energy that they need to heat and cool their homes and propel their automobiles.

This technology, with fuel cells, we can get 80 miles to the gallon in an SUV. We can run silent. We can run clean, the by-product of which is vapor. So with the green energy, with this new technology, with the willingness for us to roll up our sleeves and invest in a new technology that is both clean, efficient, and will provide us with this independence that we need from foreign sources is the way for this Nation to go.

We have started down this path before with respect to renewables. Coincidentally, when the Nation moves forward aggressively and starts to embrace these alternatives, what we see is the market respond by the lowering of the cost of oil and its production.

I believe the best way to lower costs immediately is to aggressively pursue those kinds of policies; but this time the United States must be committed to achieving that goal by the year 2011 of being energy independent, and if we stick to that course not only will we drive down the costs in the short term but in the long term we will be independent of our reliance on foreign products. We will be independent of the old inefficiencies that have hurt our economy, and we will be independent of the disastrous effects that have enveloped our entire environment.

I thank the gentleman again for his leadership and look forward to working with him, and compliment my other colleagues.

Mr. KIND. May I ask a question before the gentleman leaves?

Mr. LARSON of Connecticut. Yes.

Mr. KIND. Am I correct in stating that the space shuttle is already being fueled by fuel cells?

Mr. LARSON of Connecticut. The gentleman is absolutely correct. This is a technology that has been around for more than 40 years. We all know that the Apollo was powered by fuel cells; that we have the ability to go to the Moon and Mars and beyond. And certainly if we have the technology to go to the Moon and Mars and beyond, we have the technology available to get back and forth to work and to heat and cool the buildings that we live in and the buildings that we use.

This is not something that has to be created. This is something that we need to make sure we are producing more of. By utilizing the Federal Government and State and local municipalities through pilots and saying, look, we will provide the incentives to power the fleets of automobiles, to make sure that the school buses, the

military buses, the mail trucks are powered by fuel cells, to have alternative sources and backups of fuel cell power buildings where we know that the energy shortage cannot afford to be derailed at all but there must be continuous operation, that the fuel cell is the most dependable way for us to achieve this goal.

There are other alternatives out there. The gentlewoman from California (Ms. LOFGREN), one of our colleagues, has introduced legislation on fusion. There are other great sources of renewables. Combined, together, I think we have a great opportunity to achieve that goal by 2011.

Mr. KIND. The gentleman mentioned the by-product of fuel cell use is hydrogen and oxygen. Basically, it is water vapor?

Mr. LARSON of Connecticut. Basically it is water vapor. The newest technology with respect to fuel cells is taking advantage of our most abundant element, making sure we are taking advantage of hydrogen. It is the most abundant element we have here in our universe, so let us capitalize on that, let us utilize it in a scientific manner and apply the great American know-how of turning this around.

Our foreign competitors in both Japan and Germany are already further along in terms of automobile production, especially in the use of fuel cells, but give America the research and development opportunities, provide our great research universities, provide our great corporate entities with the opportunity to get not only the backing of R&D dollars but the commitment of the Federal Government to produce so that we can streamline activities and drive the cost of production down in the long term, and then we will wean ourselves off of dependency on foreign governments.

Mr. KIND. Reclaiming the time, I want to thank my friend, the gentleman from Connecticut (Mr. LARSON), for his insight and the leadership he has shown on this and many other areas of energy policy. Hopefully, we will get enough support with the legislation he has introduced so we will have serious policy enacted in this Congress in the further development of fuel cell, the potential that fuel cell holds for our long-term energy needs.

Mr. LARSON of Connecticut. I look forward to continuing to work with the gentleman from Wisconsin (Mr. KIND) in his outstanding efforts in the area of energy, conservation, and making sure that this environment is one that is livable and safe for all of us. These are the citizens that we were sworn to serve and protect. I think it is incumbent upon Congress, it is a moral responsibility as much as it is a legislative responsibility, for us to move forward along these lines. I commend the gentleman for the leadership he has provided.

Mr. KIND. Mr. Speaker, I thank the gentleman from Connecticut (Mr. LARSON) for his comments.

Mr. Speaker, next I would like to recognize another colleague of mine who has been living and been experiencing some of the most difficult energy challenges we face in the country today. Of course I am referring to the gentleman from California (Mr. SHERMAN), whose State and constituents have been experiencing from time to time the rolling blackouts. In fact, some of our economic development coordinators in the upper Midwest are kind of targeting the businesses in California with the slogan, "We may experience an occasional whiteout in Wisconsin but never a rolling blackout." That is really what is at stake right now is the further economic growth and development in the State of California, and I recognize the gentleman from California (Mr. SHERMAN) for his comments tonight.

Mr. SHERMAN. Mr. Speaker, I thank the gentleman from Wisconsin (Mr. KIND) for yielding.

I agree about the importance of bipartisanship. I came to this floor last night with intensity, as any of us would have intensity if we were living through what California is and soon will be living through.

What was missed was I was here chiefly to support a bill submitted by the gentleman from California (Mr. HUNTER), from the San Diego area, one of the more conservative Members on the other side of the aisle. This is a bipartisan Hunter-Eshoo bill. We need it passed only for one reason, and that is the repeated pleas of our Governor and our entire State government to the Federal Energy Regulatory Commission have been ignored.

We have asked the Federal Energy Regulatory Commission, look, since we are prohibited by Federal law from imposing reasonable costs-plus-profit regulation on what is being charged at the wholesale level, they, as is required by law, should do it.

FERC has closed their eyes to what is happening, and we in California have been FERced. Instead, we need a Federal Energy Regulatory Commission that does its job or a Congress that is willing to make sure that California gets the kind of regulation that so many other States already have; that we in California had for about 100 years successfully; that we have made the mistake of going away from and that we need to get back to for a couple of years. That is why the Hunter bill simply provides that for a temporary period California will get the same kind of rate regulation that so many of our States are enjoying now.

Instead, we are being told that California should be crucified on an altar of near-religious zeal, near-religious dedication to a deregulated market. We are told that if the wholesale price of electricity is regulated, we will get less of it. This is true if one has only taken Economics 101. Economics 101 would say if one pays more for something they will get more of it, more will be produced. But one has to take the

upper division courses as well, and they have to learn the policies of those with monopoly power, and then they discover that sometimes what is supposed to happen does not happen.

In fact, the California Public Utilities Commission determined that because we have this enormously high price, this deregulated price, plants are being closed for maintenance. Why? Well, think about it. If one has regulated production and they can make a megawatt for \$30 and sell it for \$50, they would say, I want to do that all day every day as much as I can, make \$20 on every transaction. But what if they have a deregulated market where it costs \$30 to create a megawatt and instead of producing all that can be produced and making all the \$20 profits that could be made, the production is suppressed? Then the price goes not to \$50 a megawatt but \$500 a megawatt.

Obviously, the incentive is to withhold production under this deregulated system with monopoly power; and that is why virtually all elements of California society, including not only a majority of the delegation from California but some prominent Republican conservatives, have urged that we have this temporary regulation.

Instead, we are told Washington knows best; they have to be told that it is their problem, solve it, but they will be tied up by Federal preemption law that does not allow them to solve it; and in that way they will have this enormous transfer of wealth.

We paid \$7 billion for electric generation in our State in 1999. In 2000, we used the same amount of electricity. We paid \$32.5 billion. This year, we are going to be charged \$70 billion for the same amount of electricity that we paid \$7 billion for in 1999. All that is going to a few very large corporations which happen to be based in Texas.

I do have a couple more comments. I will ask the gentleman from Wisconsin (Mr. KIND) whether it is appropriate to continue, and he is nodding, yes, because I want to talk about conservation a bit and how important it is.

We are told by the Vice President that conservation may be a personal virtue, but it is not a sufficient basis for a comprehensive energy policy. We have to respond. Environmental degradation and enormous energy company profits may be politically profitable, but they also are not a sufficient basis for a comprehensive energy policy.

The gentleman from Wisconsin (Mr. KIND) went through the list of how this administration's budget cuts money for renewables, for conservation, for research.

I want to point out that those cuts that he enumerated so clearly, those very deep cuts, are a cut of the current year's fiscal budget. But what about the prior years? In each of the 6 years of Republican Congresses, President Clinton's budget request for conservation, for renewables, for research was cut by this Congress. So we start with